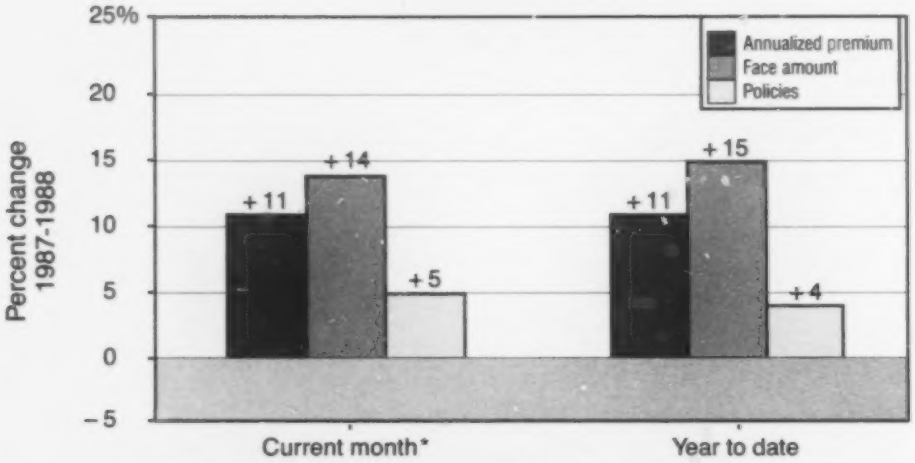
A6225-2

I/R Code 47.40
March 1988

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Individual Sales

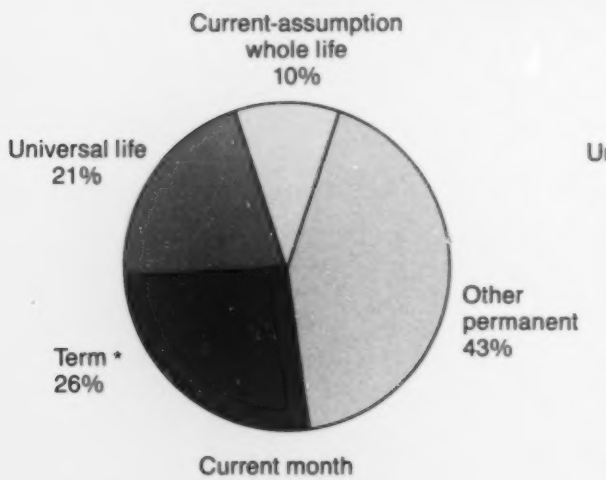
37 Companies

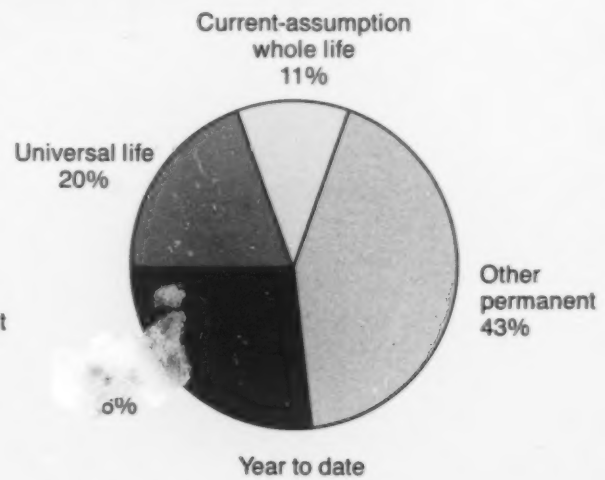


*One company's individual mass-marketed sales account for 3 percentage points of the growth in total annualized premium, 2 percentage points of the growth in total face amount, and 2 percentage points of the growth in total number of policies.

Annualized Premium Market Share by Product

24 Companies Representing 63 Percent of March Sales





*For the 12 companies that sell the product and supply data, "permanent term" ("term to 100") makes up 14 percent of total March 1988 sales.

LIMRA INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

Sales Comparisons with Last Year

Ratio 1988/1987

		Annualized premiums	Face amount	Number of policies
Term (22 cos.)	Month	125%	131%	120%
	Year to date	117%	126%	117%
Universal life (19 cos.)	Month	144%	152%	141%
	Year to date	147%	159%	140%
Current-assumption whole life (10 cos.)	Month	74%	70%	77%
	Year to date	84%	79%	86%
All other permanent (20 cos.)	Month	111%	113%	108%
	Year to date	109%	109%	102%

Policy Characteristics by Product

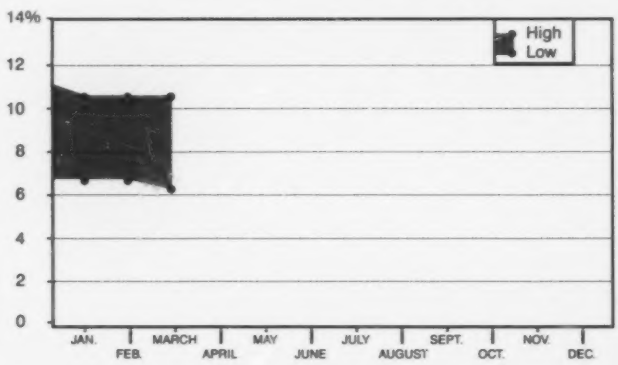
		Premium per $1,000	Average size policy	Premium per policy
Term (22 cos.)	Month	$ 3.42	$141,275	$483
	Year to date	$ 3.43	$140,240	$481
	Year-to-date ratio	93%	108%	100%
Universal life (19 cos.)	Month	$ 8.59	$ 83,814	$720
	Year to date	$ 8.91	$ 84,979	$757
	Year-to-date ratio	92%	114%	105%
Current-assumption whole life (10 cos.)	Month	$ 6.61	$ 55,184	$365
	Year to date	$ 6.75	$ 56,372	$380
	Year-to-date ratio	105%	92%	97%
All other permanent (20 cos.)	Month	$10.86	$ 49,805	$541
	Year to date	$11.04	$ 50,331	$556
	Year-to-date ratio	99%	108%	107%
Total sales (37 cos.)	Month	$ 6.74	$ 81,205	$547
	Year to date	$ 6.78	$ 81,483	$553
	Year-to-date ratio	97%	110%	107%

Universal Life

Interest Rates This Month

Median	8.8%
Range	6.1%–10.5%
Range of middle 50%	7.3%–9.2%
Number of cos. reporting rates	15
Number of plans reported	35
Number of new plans	0
Number of plans dropped	0
Number of plans showing . . .	
No change	17
Increases	3
Average increase	0.2%
Decreases	15
Average decrease	0.4%

1988 Interest Rate Range



Individual Sales (cont.)

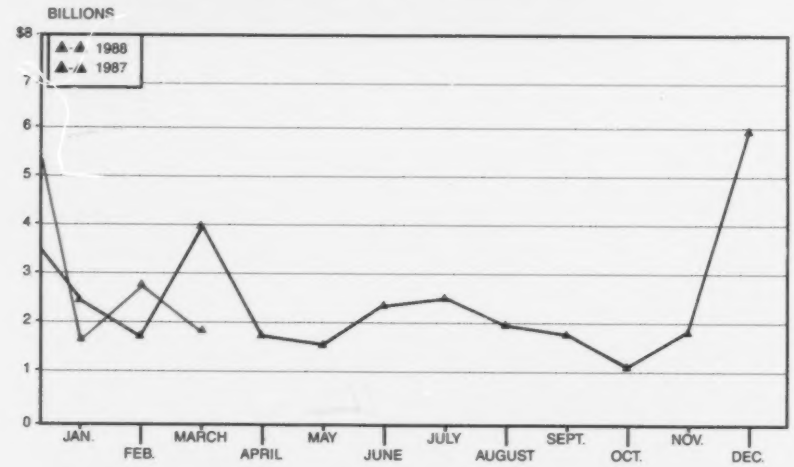
Contributors' Growth Rates

Change in Annualized Premium
Year to Date

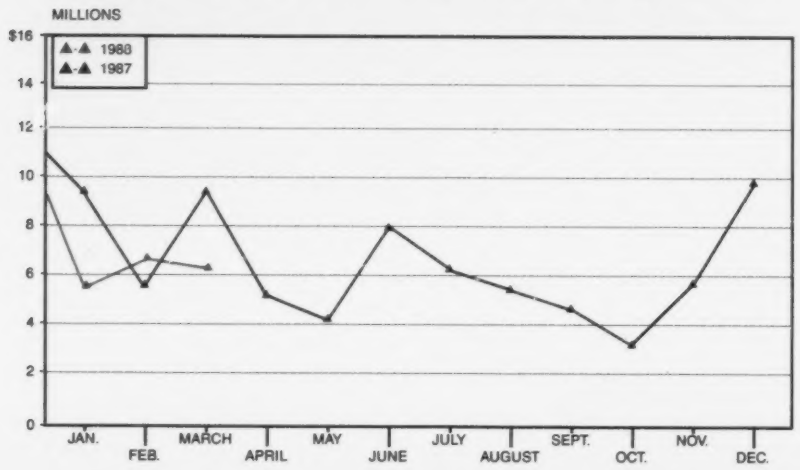
Percent change 1987–1988	Number of . . . Group I cos.	Group II cos.	Group III cos.	All cos.
21% or over	2	6	6	14
11% – 20%	1	0	2	3
1% – 10%	4	3	3	10
– 9% – 0	2	3	1	8
– 19% – – 10%	1	1	0	2
– 20% or under	0	1	1	2

Group Sales

Face Amount – 16 Companies



Annualized Premium – 13 Companies



March Sales*

		Annualized premium (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary life	Month	$ 44,233	$ 48,946	$ 6,384,155	$ 7,260,172	84,752	89,405
	Year to date	$115,449	$128,462	$16,533,173	$18,943,392	222,853	232,484
Ordinary— Group I	Month	$ 26,840	$ 27,835	$ 3,495,461	$ 3,739,786	52,908	50,460
	Year to date	$ 68,908	$ 72,417	$ 8,984,486	$ 9,703,559	137,259	133,011
Ordinary— Group II	Month	$ 13,561	$ 16,383	$ 2,230,983	$ 2,647,427	23,863	28,642
	Year to date	$ 36,237	$ 43,330	$ 5,763,148	$ 6,966,282	64,346	72,848
Ordinary— Group III	Month	$ 3,832	$ 4,728	$ 657,711	$ 872,959	7,981	10,303
	Year to date	$ 10,304	$ 12,715	$ 1,785,539	$ 2,273,551	21,248	26,625
Group life	Month	$ 9,368	$ 6,315	$ 3,891,276	$ 1,799,288	—	—
	Year to date	$ 24,198	$ 18,517	$ 7,916,460	$ 6,201,353	—	—

*Data revised to incorporate company corrections.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance—annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 37 companies plus six subsidiary companies operating in Canada. The contributors represent 81 percent of the 1986 Canadian ordinary volume sold and 85 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 16 companies operating in Canada. The contributors represent 64 percent of the 1986 Canadian volume of new or amended group contracts.

Contact: Joy I. Hansen, project director
Darlene A. Schnittker
Michael D. Bourque
Raymond H. Hinchcliffe
—Manpower and Market Research

Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

Contributors

GROUP I

Canada Life*
Great-West Life*†
Industrial-Alliance Life*†
(includes North West Life of Canada)
London Life*
Manufacturers Life
Metropolitan Life*†
(includes Metropolitan Life of Canada)
Mutual Life of Canada*†
North American Life (Canada)
Prudential of America*†
Sun Life of Canada*†

GROUP II

Ætna Canada (Excelsior Life)†
Commercial Union Life of Canada
Confederation Life*
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada*
New York Life*†
(includes New York Life of Canada)
Prudential of England*†
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

GROUP III

Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins*
COLONIA Life†
Equitable Life of Canada
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
(includes Royal Life of Canada)
La Sauvegarde*†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

*Company contributes both ordinary and group data

†Company is included in product market share chart

Companies contributing group data only: Ætena-Vie and Laurentian/Imperial

Printed in U.S.A. Copyright © 1988

A 6225-2

I/R Code 47.40
March 1988

SUPPLEMENT TO MONTHLY SURVEY OF **LIFE INSURANCE SALES IN CANADA**

Canadian Ordinary Sales for 37 companies
Revised through March 1988

	Annualized premium (000)			Face amount (000)			Number of policies		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 31,389	$ 35,550	113%	$ 4,477,436	$ 5,271,425	118%	58,498	62,869	107%
February	39,827	43,966	110	5,671,582	6,411,795	113	79,603	80,210	101
March	44,233	48,946	111	6,384,155	7,260,172	114	84,752	89,405	105
April	41,666			6,125,785			81,678		
May	41,608			6,156,770			81,737		
June	48,800			7,159,778			93,699		
July	41,873			6,206,021			77,122		
August	35,138			5,257,392			66,358		
September	44,104			6,557,544			87,374		
October	46,620			6,701,107			88,087		
November	52,609			7,550,235			95,817		
December	51,642			7,319,325			85,774		
Year total	$519,509			$75,567,130			980,499		
Year to date	$115,449	$128,462	111%	$16,533,173	$18,943,392	115%	222,853	232,484	104%

Canadian Group Sales
Revised through March 1988

	Annualized premium (000) (13 companies)			Face amount (000) (16 companies)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
January	$ 9,341	$ 5,542	59%	$ 2,371,568	$1,627,909	69%
February	5,489	6,660	121	1,653,616	2,774,156	168
March	9,368	6,315	67	3,891,276	1,799,288	46
April	5,269			1,680,269		
May	4,192			1,447,353		
June	7,861			2,312,492		
July	6,231			2,409,855		
August	5,310			1,965,732		
September	4,557			1,749,371		
October	3,039			1,047,021		
November	5,596			1,886,006		
December	9,733			5,883,886		
Year total	$75,986			$28,298,445		
Year to date	$24,198	$18,517	77%	$ 7,916,460	$6,201,353	78%

LIMRA® INTERNATIONAL
Profit from our research.